THE CUSTOMER SERVICE PROGRAM

The Customer Service Program (CSP) was established in 1993, immediately after President Clinton signed Executive Order 12862, "Setting Customer Service Standards." The Office of Policy provides staff support, coordinates an annual conference, and chairs EPA's Customer Service Steering Committee (CSSC), the group that sets CSP policy.

By involving approximately 400 individuals from staff and management through CSSC work groups and office/region/laboratory Consumer Service councils, the Agency leverages its two person customer service staff to implement the Agency's Customer Service Strategy.

What Improved Customer Service Will Achieve

EPA published a Customer Service Plan in September 1995, and in May 1997, officially adopted critical process standards and a set of universal principles that apply to the work of everyone at EPA. These six standards focus on:

- helping all EPA employees understand the importance and substantial mission related benefits of improving service to the public;
- providing employees with goals and guidelines for improvement and involving them in identifying and attempting to eliminate barriers to achieving standards;
- providing training to build staff capacity to achieve the standards and effectively apply customer service skills;
- developing measurement and tracking systems to document service and product improvements;
- learning what we need to do to increase satisfaction with our services and our treatment of customers; and recognizing and rewarding customer service excellence.

By 2003, all EPA staff will be meeting the customer service standards that apply to their work and will have received training necessary to assist them to achieve the standards. Because customer feedback and satisfaction measurement are critical underpinnings to the overall program, in 1998 the CSP developed "Hearing the Voice of the Customer - Customer Feedback and Customer Satisfaction Measurement Guidelines."

In 1999, CSP will sponsor workshops to train an advisor/consultant group to assist people across the Agency to use the guidelines to obtain and use customer input. All feedback instruments will be cleared through the OMB under the CSP generic Information Collection Request (ICR) for customer satisfaction surveys.

The CSP reports bi-monthly to the National Partnership for Reinventing Government and the American people via the Internet. This initiative, "Conversations with America," solicits and gathers customers' comments and ideas for improving EPA's products and services.

Nearly 200 EPA staff are certified to facilitate training across the Agency. Many are involved in delivering both Forging the Links, an EPA specific service workshop, and customer skills courses that supplement the workshop. Through sharing benchmarking/best practices information and by sponsoring the annual conference, the CSP supplements training opportunities. Through recognizing outstanding service, the Agency highlights, encourages, and reinforces service excellence.

Expected Results

In support of the Customer Service Executive Order and various Presidential memorandums in FY 2000, the Agency will maintain leadership and coordination of the National CSP by providing:

- policy and guidance development;
- communication and liaison with Senior managers, the National Partnership for Reinventing Government (NPR), and other federal and state partners;
- best practices research;
- conversations with American reporting;
- direct and contractual support to the CSP committees and work groups;
- continuous support for guidelines and measurements;
- a third National Customer Service Conference;
- increased access to CSP information via the Intra and Internet.

EPA's Administrator Carol Browner has stated that "EPA will be a model for all regulatory agencies by fully integrating customer satisfaction measures into our strategic planning, budgeting and decision making, while recognizing the diversity of our customers and the need for balancing competing and conflicting interests. Above all, we will strengthen our ability to listen to the voice of our customers so that we can identify their needs and act upon them." The Customer Service Program supports the Administration's commitment to enhance customer service.

COST AND BENEFITS OF ECONOMICALLY SIGNIFICANT RULES IN FY 1999 OR FY 2000

GOAL 1: CLEAN AIR

Automobile and Light-Duty Truck Manufacturing (Surface Coating) NESHAP/VOC Reductions

This action will result in the reduction of HAPs and VOCs emitted by the automobile and light-duty truck manufacturing industry. The major HAPs emitted from surface coating operations include ethylene glycol monobutyl ether, methyl ethyl ketone, methyl isobutyl ketone, toluene, and xylene, among others.

There are approximately 60 automobile and light-duty truck assembly plants in the U.S. This project is in the data gathering phase; thus, quantitative estimates of costs and benefits are not available at this time.

Industrial Combustion Coordinated Rulemaking - ICCR Project

The EPA is developing combustion-related regulations for five source categories. The source categories are: combustion turbines, internal combustion engines, industrial/commercial/institutional boilers, process heaters, and solid waste incinerators burning non-hazardous waste. These regulations are being developed under Sections 111, 112, and 129 of the CAA. Sections 111 and 129 require maximum achievable control technology (MACT) floors and MACT levels to be determined. MACT standards apply to both new and existing facilities.

Section 111 requires the development of new source performance standards (NSPS). These regulations apply to new, modified, and reconstructed sources and do not apply to existing sources. These source categories are widespread and one or more of these source categories are located at virtually every manufacturing and chemical plant in the US.

Section 112 standards apply to a list of 189 hazardous air pollutants (HAPs); Section 129 standards apply to 9 pollutants (dioxin and furans, mercury, cadmium, lead, particulate matter and opacity, sulfur dioxide, hydrogen chloride, oxides of nitrogen, and carbon monoxide) which are a combination of HAP's and criteria pollutants; and Section 111 applies to criteria pollutants. There is likely to be some regulatory interaction between these source categories since many are collocated at the same plant site.

Therefore, EPA is undertaking a coordinated rulemaking with early and continuing stakeholder participation, including participation by small entity representatives. A coordinated participatory rulemaking offers benefits to all stakeholders including: the opportunity for stakeholders to shape regulatory development, more cost-effective regulations, avoidance of duplicative or conflicting regulations, simpler regulations, compliance flexibility, EPA and stakeholder resource savings in rule development, and an improved scientific basis for regulations.

The benefits and costs resulting from the ICCR are not known at this time. Control Technologies and their efficiencies and costs are still being investigated. More should be known in early to mid 1999. It is expected that the costs and benefits could be large due to the fact that there are potentially hundreds of thousands of affected facilities located at almost all types of industrial facilities.

NESHAP: Integrated Iron and Steel

The Clean Air Act, as amended November 1990, requires the EPA to regulate categories of major and area sources of hazardous air pollutants (HAP). The EPA has determined that integrated iron and steel mills emit several of the 189 HAP listed (including compounds of chromium, lead, manganese, toluene, and polycyclic organic matter) in quantities sufficient to designate them as major sources.

As a consequence, integrated iron and steel facilities are among the HAP-emitting source categories selected for regulation. The integrated iron & steel NESHAP will significantly reduce hazardous air pollutant metals and particulate emissions from these sources. The cost and benefits analysis for this NESHAP has not been completed, as a result this rule may not constitute an economically significant (major) rule under E.O. 12866.. This analysis should be completed in October 1999.

Control of Air Pollution from Marine Diesel Engines Rulemaking

This rulemaking will serve to reduce harmful emissions from marine diesel engines rated over 37 kW. The measurable benefit of the regulation will be an approximately 35 percent reduction in emissions of oxides of nitrogen and particulate matter from these engines. The costs of the rulemaking will be borne by the manufacturers of marine diesel engines and will likely be passed on in part to their customers in the form of higher prices.

No direct costs will be borne by any government or household. Total estimated costs to society range from $40 million to $110 million per year (in 1998 dollars). A net present value over 20 years is calculated to be approximately $700 million when discounted at 7 percent. Monetized benefits estimates for this rulemaking are not yet available.

Heavy-duty Gasoline Engines/Vehicles Rulemaking

EPA proposed NOX plus NMHC standards for 2004 and later model year heavy-duty diesel and Otto-cycle (e.g. spark ignition / gasoline-fueled) engines. EPA finalized the standards for diesel engines (62 FR 54694, October 21, 1997) but did not finalize the standards for Otto-cycle engines. In a Supplemental Notice of Proposed Rulemaking, EPA will be proposing new HD Otto-cycle engine and vehicle standards.

Currently, EPA has a vehicle program for vehicles up to 8,500 pounds gross vehicle weight (GVWR) and an engine-based program for engines used in vehicles with GVWRs above 8,500 pounds. EPA plans to propose to move complete HD vehicles (about 70 percent of HD gasoline engines) into the vehicle program. Examples of vehicles included in this category are large full size pickup, the largest sport utility vehicles, and full size cargo and commercial passenger vans.

EPA will also be proposing engine-based standards for engines used in vehicles not covered by the vehicle program. The new standards would reduce emissions of oxides of nitrogen and hydrocarbons from these engines by about 75 percent from current levels beginning with the 2004 model year. Cost and benefits estimates are not yet available for this rule, however, EPA anticipates that it will be an economically significant (major) rule under E.O. 12866.

Tier II Light-duty Vehicle and Light-duty Truck Rulemaking

The Tier II rulemaking will be a significant rulemaking under the definitions in Executive Order 12866. This rulemaking will propose the next generation of emission standards for light-duty vehicles and light-duty trucks. The primary focus of this action will be

reducing emissions of nitrogen oxides and non-methane hydrocarbons, pollutants which contribute to ozone pollution. Highway vehicles are significant contributors to ozone pollution, though tighter standards will also have additional air quality benefits. These standards cannot go into effect before the 2004 model year, as per Clean Air Act requirements.

EPA is also planning on addressing more stringent standards for heavy-duty gasoline engines, effective no earlier than model year 2007, in this rulemaking since many of the technologies used to achieve better emissions performance of light-duty trucks could also be used to reduce emissions from heavy-duty .

gasoline engines. The rulemaking will also propose limitations on the sulfur content of gasoline. Sulfur has a detrimental impact on catalyst performance and could be a limiting factor in the introduction of advanced technologies on motor vehicles.

There are also additional air quality benefits, such as particulate matter and sulfate reductions, associated with reducing sulfur levels in gasoline. This rulemaking is in a very early stage of development, and related cost and benefit estimates are not yet available. Therefore, it may not constitute an economically significant (major) rule under E.O. 12866

GOAL 2: CLEAN AND SAFE WATER

NPDES Storm Water Phase II Rule

The proposed NPDES storm water phase II rule establishes a permitting program to regulate contaminated storm water discharges from small municipal separate storm sewer systems in urbanized areas and small construction sites (between one and five acres). There are some waivers built into the draft rule, reducing or eliminating application requirements where there is little or no environmental impact.

For the rulemaking components that have been proposed, the Agency estimated total annual costs ranging from $141 million to $880 million (1997 dollars) . Benefits associated with the proposed rule include improvements to water quality and reduced human health risks. Estimated annual monetized benefits associated with financial, recreational, and health related improvements ranged from $175 million to $573 million (1997 dollars) annually.

The Agency has identified additional benefit categories that it was unable to monetize and thus are not included in these estimates. The Agency received a wide range of comments through various public forums and expects that revisions will be made to these estimates. EPA plans to finalize this rule in October 1999.

Proposed Regulation Governing Cooling Water Intake Structures

EPA is developing regulations for proposal under Section 316(b) of the Clean Water Act (CWA), 33 U.S.C. Section 1326(b). The proposed regulation governing cooling water intake structures is unique in that it applies to the intake of water and not the discharge. Section 316(b) provides that any standard established pursuant to Sections 301 or 306 of the Clean Water Act and applicable to a point source shall require that the location, design, construction, and capacity of cooling water intake structures reflect the best technology available (BTA) for minimizing adverse environmental impact.

A primary purpose of Section 316(b) is to minimize the impingement and entrainment of fish and other aquatic organisms by a facility's cooling water intake. Impingement refers to the trapping of fish and other aquatic life in cooling water intake screens. Entrainment occurs when aquatic organisms, eggs and larvae are sucked into the cooling system, through the heat exchanger, and then pumped back out. EPA is currently estimating costs and benefits of this rule and will make them available when the rule is proposed.

National Primary Drinking Water Regulations: Disinfectants/Disinfection Byproducts Rule

The regulation for Stage 1 Disinfectant/Disinfection Byproducts (DBPs) is intended to expand existing public health protections and address concerns about risk trade-offs between pathogens and disinfection byproducts. EPA has estimated that the total annualized cost, for implementing the Stage 1 DBP rule is $702 million in 1998 dollars. This estimate includes annualized treatment costs to utilities ($593 million), start-up and annualized monitoring costs to utilities ($91.7 million), and startup and annualized monitoring costs to states ($17.3 million).

Annualized treatment costs to utilities includes annual operation and maintenance costs ($362 million) and annualized capital costs assuming a 7 percent cost of capital as the discount rate ($231 million). While the benefits of this rule are difficult to quantify because of the uncertainty associated with risks from exposure to DBPs (and the resultant reductions in risk due the decreased exposure from DBPs), EPA believes that there is reasonable likelihood that benefits will exceed the costs. The potential economic benefits of the Stage 1 DBP rule derive from the increased level of public health protection and associated decreased level of risk.

The quantification of the benefits resulting from DBP control is masked by the uncertainty in the understanding of the health risks. Epidemiological studies, suggest an association between bladder cancer and exposure to chlorinated surface water; however, these risks are uncertain. The lowest estimate from five selected epidemiological studies of the number of new bladder cancer cases per year attributable to chlorinated surface water is 1,100 cases, while the highest is 9,300 cases.

In contrast, toxicological studies yield baseline estimates of 1 to 100 new cancer cases per year attributable to DBPs in surface water. The rule is estimated to reduce DBP levels in finished drinking water by 24% on average. The final DBP Stage I rule was signed in November 1998.

National Primary Drinking Water Regulations: Interim Enhanced Surface Water Treatment Rule

The regulation for Interim Enhanced Surface Water Treatment is intended to expand existing public health protections and address concerns about risk trade-offs between pathogens and disinfection byproducts. As reflected in the November, 1998 Interim Enhanced Surface Water Treatment Rule (IESWTR) Regulatory Impact Analysis, EPA estimated the national capital and annualized costs of possible IESWTR provisions would be $759 million and $307 million, respectively.

These estimates include costs associated with improved treatment, turbidity monitoring, a disinfection benchmark, and sanitary surveys. Mean estimated *annual* benefits of the provisions range from $348 million to $1.6 billion , depending upon varied baseline and improved Cryptosporidium removal assumptions with corresponding reduced cases of cryptosporidiosis illness ranging from 110,000 to 463,000. The final IESWTR was signed in November 1998.

National Primary Drinking Water Regulations: Ground Water Rule

The Safe Drinking Water Act as amended in 1996 directs EPA to promulgate regulations requiring disinfection “as necessary” for ground water systems. The intention is to reduce microbial contamination risk from public water systems relying on groundwater. To determine if treatment is necessary, the rule will establish a framework to identify public water supplies vulnerable to microbial contamination and to develop and implement risk control strategies including but not limited to disinfection.

From a public health perspective, the Ground Water Rule will reduce both endemic levels and outbreaks of illness. The economic analyses for this rule are still under development. EPA plans to propose this rule in September 1999.

National Primary Drinking Water Regulations: Arsenic

SDWA directs EPA to establish a maximum contaminant level (MCL) as close to the maximum contaminant level goal (MCLG) as feasible, considering treatment efficacy and costs. EPA must list affordable technologies or treatment techniques that achieve compliance with the MCL for three categories of small systems considering the quality of the source water.

Furthermore, alternatives to central treatment, such as point-of-use and point-of-entry devices, can be considered for small systems that maintain control over operation and maintenance. At the time of proposal, EPA must seek comment on its analyses of costs of compliance and health risk reduction benefits likely to occur as the result of treatment to comply with the proposed MCL and any alternatives being considered. The cost-benefit analyses are still under development at this time. EPA plans to propose this rule in January 2000.

National Primary Drinking Water Regulations: Radon

Pursuant to the Safe Drinking Water Act as amended in 1996, EPA is required to:

(1) withdraw the 1991 proposed radon in d rinking water rule;
(2) work with the National Academy of Sciences to conduct a risk assessment for radon in drinking water and assess the health risk reduction benefits associated with various mitigation methods of reducing radon in indoor air;
(3) publish a radon health risk reduction and cost analysis for possible radon Maximum Contaminant Levels (MCLs) for public comment, by February, 1999;
(4) propose a Maximum Contaminant Level Goal (MCLG) and National Primary Drinking Water Regulation (NPDWR) for radon by August, 1999; and
(5) publish an MCLG and Final NPDWR for radon by August, 2000.

EPA is currently developing estimates of the anticipated costs and benefits associated with this regulation. Among other things, EPA will be evaluating the unit risk information (with the input of the National Academy of Sciences), the occurrence of radon in public water systems, the unit costs of various types of radon in water treatment systems, the characterization of the flows associated with "model" systems, the number of systems in various size categories, the costs and benefits associated with the health effects of radon, and models for integrating much of these data.

Most of this information and supporting calculations are expected to be available by the time the Health Risk Reduction and Cost Analysis is published (February 1999).

Effluent Guideline for Industrial Laundries

The proposed effluent guidelines rulemaking for the industrial laundries industry would limit the discharges of pollutants into waters of the United States and into publicly owned treatment works (POTWs) by establishing pretreatment standards for existing sources (PSES). The proposed rule would benefit the environment by removing toxic pollutants that have adverse effects on human health and aquatic life. The standards would also reduce potential interference with POTW operations. The proposed PSES limitations would reduce the discharge of pollutants to waters of the U.S. by 5 million pounds per year.

EPA estimates that these pollutant reductions would provide several types of benefits including: reduced incidences of cancer, recreational fishing improvements, non-use benefits, and reduced interference with POTW operations. EPA estimates annual benefits in the range of $2.9 million to $10.6 million (1997 dollars).

Other benefits that are expected, but have not been expressed in monetary terms, include reduced noncancer health effects, and enhanced recreation other than fishing (e.g. swimming, boating). The estimated total annualized social cost for the standards is $139.4

million (1997 dollars), which incorporates capital costs of $470 million and annual operating and maintenance costs of $86 million using a 7 percent discount rate. EPA plans to issue this final rule in June 1999.

GOAL 3: SAFE FOOD

Ground Water and Pesticide Management Plan

(Final Action 09/99). This final regulation would establish Pesticide Management Plans (PMPs) as a new regulatory requirement for certain pesticides. Absent an EPA-approved Plan specifying risk-reduction measures, use of the chemical would be prohibited. The rule would also specify procedures and deadlines for development, approval and modification of plans.

EPA anticipates four categories of costs entailed in requiring PMPs. Federal Program Costs are those of administering ground-water protection activities, such as the review of State or Tribal proposals. State Program Costs entail both capital and annual costs. Registrant and user impacts are the economic losses ascribed to the reduced use of the classified pesticides, as well as the costs (to the registrants) of complying with Federal, State and Tribal provisions.

Benefits accrue from the reduced levels of pesticide residues in ground water, and a corresponding reduction in: 1) human and ecological risk; and 2) threats to the economic and intrinsic values of the ground-water resource. Enormous uncertainties attend the quantification of these benefits. Because the Food Quality Protection Act (FQPA) requires that EPA consider drinking water as part of dietary exposure, the Agency is analyzing implications for this regulation.

Pesticide Tolerance Reassessment Program (a series of regulatory actions issued over 10 years)

EPA will reassess pesticide tolerances and exemptions for raw and processed foods established prior to August 3, 1996, to determine whether they meet the Areasonable certainty of no harm@ standard of the Federal Food, Drug and Cosmetic Act (FFDCA). FFDCA sec. 408(q), as amended by the Food Quality Protection Act, requires that EPA conduct this reassessment on a phased 10-year schedule. Based on its reassessment, EPA will take a series of regulatory actions to modify or revoke tolerances that do not meet the reasonable certainty of no harm standard.

Analysis of costs will be conducted as part of an economic analysis of the revocation/modification actions proposed. The FFDCA allows EPA to consider benefits only in a very limited manner in determining whether to retain or modify a pesticide tolerance. Actions taken as a result of the tolerance reassessment program will ensure that dietary exposures to pesticides will be safe, taking into account aggregate exposure from food, water and non-occupational sources, and considering the cumulative effects of substances have a common mode of toxicity.

Endocrine Disruptor Screening and Testing Program

The Food Quality Protection Act (FQPA) requires EPA to screen pesticides for estrogenic effects on human health. The Safe Drinking Water Act authorizes EPA to screen chemicals found in drinking water sources in similar manner. EPA proposed a screening program in August 1998, and FQPA mandated that it be implemented by August 1999 and report to Congress in August 2000.

EPA established the Endocrine Disruptor Screening and Testing Advisory Committee (EDSTAC) in October 1996, to provide advice and counsel to the Agency in

implementing the screening and testing program. EDSTAC was comprised of 43 members representing industry, government, environmental and public health groups, labor academia, and other interested stakeholders. EPA was represented on EDSTAC by OPPTS, ORD and OW. EDSTAC has held its final meeting in June 1998.

The Committee considered human health and ecological effects; estrogenic, androgenic, anti-estrogenic, anti-androgenic and thyroid effects in its deliberations and extended its scope to include industrial chemicals, drinking water contaminants and important mixtures as well as pesticides. EDSTAC will submit its final report to EPA in August 1998. EPA will propose its screening and testing strategy in August 1998 and will propose a more detailed implementation plan for public comment in fall of 1998.

Evidence is continuing to mount that wildlife and humans may be at risk from exposure to chemicals operating through a endocrine mediated pathway. Preliminary studies show decreases on IQ tests and increases in aggression and hyperactivity in children. Severe malformations of the genitals of boys has increased steadily over the last two decades.

Although increases in cancers of endocrine sensitive tissues have been reported, no link has been made to show that chemicals are the cause. Wildlife effects linked to specific chemical exposures have been more thoroughly documented in the U.S., Europe, Japan, Canada and Australia. Evidence is sufficient for the U.S. to proceed on a two track strategy; research on the basic science regarding endocrine disruption and screening to identify which chemicals are capable of interacting with the endocrine system. The combination of research and test data developed by this program will enable EPA to take action to reduce chemical risks.

It is too early to project the costs and benefits of this program accurately. However, as a rough estimate, the screening battery is estimated to cost $200,000 per chemical. It is too early to determine how many chemicals will be screened in Tier 1 much less tested in Tier 2. It is also too early to tell the benefits-that is how many chemicals will be identified that are endocrine disruptors and their exposure reduced either by formal risks management or by voluntary exposure reduction or product substitution.

GOAL 4: PREVENTING POLLUTION IN COMMUNITIES HOMES AND WORKPLACES

Proposed Lead Rulemaking Under TSCA Section 402, Lead-Based Paint Activities (Final rule Remodeling & Renovation 09/01; Final Rule Debris 11/00; Final Rule Buildings and Structures).

The Residential Lead-Based Hazard Reduction Act of 1992 (TitleX) amended TSCA by adding a new Title IV. TSCA Section 402, Lead-Based Paint Activities Training and Certification directs EPA to promulgate:

(a) regulations governing lead-based paint activities to ensure that individuals engaged in such activities are properly trained, that training programs are accredited, and that contractors engaged in such activities are certified ;

(b) a Model State program which may be adopted by any State which seeks to administer and enforce a State Program for the requirements established under SCA Section 402;

(c) a rule addressing lead risks from renovation and remodeling activities or state when no regulation is necessary; and

(d) a rule establishing a fee schedule for the lead based paint training, certification, and accreditation activities addressed in the rules developed under TSCA Section 402.

Additionally, in response to concerns that high disposal costs would discourage lead abatements, EPA is using its authority under TSCA Section 402 (a) to address the disposal of lead-based paint debris that will result from the lead-based paint activities regulated under TSCA Section 402. To minimize duplication of waste management requirements, EPA is developing a companion RCRA rule to suspend temporarily hazardous waste management regulations applicable to lead-based paint debris which will be subject to the new TSCA standards.

For the Section 402(a)/404(Residential) rule, the costs ($16 million in the initial year, $10 million in subsequent years) have been provided in the final economic impact analysis that was prepared in conjunction with the final rule. For the remainder of the Section 402 rules, costs will be estimated in the draft economic impact analyses that will be prepared for the proposed rules. Since benefits depend on private sector implementation of certain lead hazard abatement activities which are not mandated by any of these rules, benefits will be difficult to quantify.

TSCA Section 403; Identification of Dangerous Levels of Lead (Final Rule 09/99)

TSCA Section 403 requires EPA to promulgate regulations that identify lead-based paint hazards, lead-contaminated dust and lead-contaminated soil. EPA published an interim guidance document in 1995, to provide public and private decision-makers with guidance on identifying an prioritizing lead-based paint hazards for control.

This interim guidance will continue to serve as EPA's official policy until the final TSCA Section 403 rule is promulgated. EPA proposed the Section 403 Rule in June 1998. Net benefits to society associated with the proposed standards were estimated to equal $42.5 billion over a fifty year period.

Polychlorinated Biphenyls (PCBs) Disposal Amendments (Final Rule on Use Authorizations 03/99; Notice/Decisions on Import Issue 09/99)

This rulemaking will make over 90 modification, additions, and deletions to the existing PCB management program under the Toxic Substances Control Act (TSCA). A notice of proposed rulemaking was published on December 6, 1994, and covered the manufacture (including import) processing, distribution in commerce, export use, disposal, and marking of PCBs. On Jun 29, 1998, EPA issued a final rule involving the disposal related provisions. The other provisions, regarding use authorizations and imports, will be addressed in separate actions.

EPA projects significant cost savings from authorizations for existing uses and the disposal of large-volume wastes such as PCB-contaminated environmental media. In addition, certain administrative requirements should increase the speed of remediation of contaminated sites and accelerate the removal from use of PCBs.

EPA projects minimal implementation costs and is reviewing comments which highlight areas for additional cost savings over the proposal. EPA estimates that millions of tons of PCB-contaminated environmental media will be remediated under this rule, thus preventing large quantities of this long-lived, bioaccoumulating chemical from entering the food chain.

Chemical Right-to-Know (RTK) Initiative

Vice President Gore announced the Chemical RTK Initiative to encourage the provision of information about the toxicity of commercial chemicals. There are three key components to this initiative:

(1) baseline toxicity testing for 2,800 widely used commercial chemicals;

(2) additional health effects testing for chemicals to which children are disproportionately exposed; and
(3) the listing and lowering thresholds for persistent, bioaccumulative, toxic chemicals reported to TRI.

The benefits of the Chemical Right-to-Know Initiative are unknown, but may be substantial in terms of assisting risk management and avoidance decisions. The cost of the baseline testing is approximately $200,000 per chemical. More detailed testing, as envisioned for the Children's Health testing portion of this initiative is expected to impose additional costs.

GOAL 5: BETTER WASTE MANAGEMENT, RESTORATION OF CONTAMINATED WASTE SITES, AND EMERGENCY RESPONSE

Revised Standards for Hazardous Waste Combustion Facilities

The Combustion MACT Standards rulemaking was proposed in April 1996, with the final rulemaking currently scheduled for signature in 1999. This is a joint action that invokes the authorities of both the Clean Air Act (CAA) and RCRA. The Final Rule will set technology-based emission limits for hazardous waste incinerators, cement kilns, and LWAKs, using the Maximum Achievable Control Technologies (MACT) provisions under Sec. 112 of the CAA.

Aggregate compliance costs for all sources to meet the final recommended standards are estimated to average about $75 million per year. Individual combustion systems are likely to experience annual compliance costs ranging from $244,000 to $1.0 million, depending upon equipment retrofit requirements. An estimated two (2) cement kilns and approximately thirteen (13) on-site incinerators may stop burning hazardous waste in response to implementation of the final recommended standards.

The MACT standards are expected to provide both human health and ecological benefits. Preliminary benefits have been monetized for both cancer and non-cancer effects. Ecological benefits have not been monetized. Human health benefits for the final standards are currently estimated at about $25 million per year. Other benefits potentially attributable to the final Rule, such as improved visibility were not estimated.

GOAL 7: COMMUNITY RIGHT-TO-KNOW

TRI; Addition of Oil and Gas Exploration and Production to the Toxic Release Inventory (Final Rule 12/00)

The original Toxics Release Inventory (TRI) required reporting from facilities in Standard Industrial Classification (SIC) codes 20-39. These SIC codes cover facilities whose primary economic activity was classified as manufacturing. This requirement was specified under the Emergency Planning and Community Right-To-Know Act (EPCRA).

EPCRA provides the Administrator with the authority to add or delete SIC codes and the discretion to add particular facilities based on a broad set of factors. EPA has recently expanded this original list of covered industries. EPA began additional analyses to determine whether facilities which perform exploration and production of oil and gas should also be added to the list of facilities covered under EPCRA. No final decision on this issue has been made.

Based on the current status of the project, anticipated costs are unknown. Estimated costs for compliance with EPCRA reporting requirements are available, but until further evaluation is completed no estimates are available for the impact of the resulting requirements on any industries that may be added. Generally, anticipated benefits will be in the form of making available more complete information regarding the release and disposition of toxic chemicals in the environment.

TRI; Chemical Expansion; Finalization of Deferred Chemicals (Final Action 12/00)

On November 30, 1994, EPA added 286 chemicals and chemical categories to EPCRA Section 313 list, including 39 chemicals as part of two delineated categories. Each chemical and chemical category was found to meet the statutory criteria described in EPCRA. At this time, EPA deferred final action on 40 chemicals and one chemical category until a later date. These were deferred because the comments received on them raised difficult technical or policy issues which required additional time to address.

EPA chose not to delay final action on the 286 chemical and chemical categories because of the additional time needed to address the issues surrounding the smaller group of 40 chemicals and one chemical category; rather, EPA believed it to be in the spirit of right-to-know to proceed with the final rulemaking of the additional chemicals and chemical categories.

The final total costs are not yet known, since the final listing decisions have not yet been made. The addition of any of these chemicals or the chemical category will result in additional costs to the reporting community. The additional information reported in TRI increases the public's knowledge regarding the levels of pollutants released to the environment and pathways of exposure.

It allows the public to make informed decisions on where to work and live; enhances the ability of corporate lenders and purchasers to more accurately determine a facility's potential liabilities; and assists Federal, State, and local authorities making better decisions on acceptable levels of toxics in communities.

TRI: Pollution Prevention Act Information Requirements (Final Action 06/00)

The Pollution Prevention Act of 1990 (PPA) requires the addition of several data elements to the Toxic Chemical Release Inventory (TRI) reporting requirements. It requires owners or operators of certain facilities that manufacture, process, or otherwise use listed toxic chemicals to annually report their releases of these chemicals to each environmental medium. The PPA mandates that facilities also report on source reduction and recycling activities relating to the toxic chemicals beginning with the 1991 reporting year.

Since 1991 covered facilities have been providing this information to EPA in Section 8A, Source Reduction and Recycling Activities, of EPA Form R. EPA's proposed regulation would provide definitions and instructions for reporting the PPA data elements on the EPA Form R.

Because of the inconsistencies in the PPA data currently reported on the Form R, communities are unable to accurately compare the risks related to release and recycling activities between different facilities. By providing covered facilities with clear guidance for reporting this information, the public will be better equipped to determine and compare the risks associated with toxic chemicals being released and managed in their community.

EPA estimates industry currently incurs a cost of $61.3 million annually to report PPA data on Form R. This estimate does not include the costs related to the seven industries newly subject to EPCRA 313. The cost to process source reduction and waste management data equals $2.7 million each year. This action is

not expected to add to these existing costs, and may actually result in a reduction to the overall industry burden and costs.

TRI; Reporting Threshold Amendment; Toxic Chemicals Release Reporting; Community Right-to-Know (Final Action 09/99)

The Toxic Release Inventory (TRI) currently requires reporting from facilities which manufacture or process at least 25,000 pounds of a listed chemical, or otherwise use 10,000 pounds of a listed chemical. These thresholds were initially established under the Emergency Planning and Community Right-to-know Act (EPCRA). EPCRA gives the Administrator the power to establish a threshold amount for a toxic chemical different from the amount established by paragraph (1) and that such altered thresholds may be based on classes of chemicals.

EPA is considering lowering the thresholds for those chemicals which it determines to be highly toxic at very low dose levels and/or have physical, chemical, or biological properties that make the chemicals persist for extended periods in the environment, and/or bioaccumulate through the food chain. Persistent bioaccumulative toxic chemicals are of particular concern in ecosystems such as the Great Lakes Basin due to the long retention time of the individual lakes and the cycling of the chemicals from on component of the ecosystem to another. EPA is currently conducting analysis to determine which chemicals present the specific problems described above, and to determine what the altered threshold value(s) should be.

Currently communities do not have access to TRI data on chemicals that, although released in relatively small quantities, pose a potential risk to human health and the environment because they persist and bioaccumulate. By lowering the reporting thresholds for such chemicals the public will be able to determine if such chemicals are being released into their communities and whether any action should be taken to reduce potential risks.

The anticipated costs related to this action are unknown at present. At this point the Agency is still unsure how low to set reporting thresholds or for what specific list of chemicals the lower reporting thresholds should apply. The information reported in TRI increases the knowledge levels of pollutants released to the environment and pathways to exposure; allows the public to make informed decisions on where to work and live; enhances the ability of corporate lenders and purchasers to more accurately determine a facility's potential liability; and assists Federal, State, and local authorities in making better decisions on acceptable levels of toxics in communities.

TRI: Review of Chemicals on the Original TRI List (Final Rule 12/00)

When TRI was established by Congress in 1986, the statutory language placed 309 chemicals and 20 categories of chemicals on the TRI list; that is referred to as the original TRI list. The chemicals on the original list were taken from two existing lists of toxic substances: the Maryland Chemical Inventory Report List of Toxic or Hazardous Substances, and the New Jersey Environmental Hazardous Substances list. This action constitutes the first systematic review of toxicology and environmental data for all the chemicals on the original TRI list to determine whether data for those chemicals conform with the statutory criteria for listing of chemicals on TRI. Chemicals for which data do not meet the statutory criteria will be delisted.

TRI provides information to industry, governments and the public on chemicals that can cause harm to health or the environment. The review of toxicology and environmental data for all chemicals on the original TRI list will ensure that the list focuses only on those chemicals that pose meaningful possibilities of risks to human health or the environment, increasing the effectiveness of the TRI.

The anticipated costs to industry related to this action are unknown at present. Costs to industry would be reduced if chemicals are removed from the TRI list. Benefits would result from any reduction in reporting burden as a result of the delisting of a chemical.